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THE UNIVERSITY OF ILLINOIS

. . AND . .

THE COLLEGE OF PHYSICIANS AND SURGEONS

OF CHICAGO.

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These Extracts from the proceedings of the Board of Trustees of the University of Illinois show the successive steps taken in affiliating the College of Physicians and Surgeons of Chicago with the University and have been brought together by order of the Trustees.

Urbana, Aug. 7, 1906. W. L. PILLSBURY, Secretary.

THE UNIVERSITY AND THE SCHOOL OF MEDICINE.

The special committee appointed upon the relations of the University with the School of Medicine reported as follows:

To the Board of Trustees:

At the regular meeting of the Board in September last a resolution offered by Mrs. Flower was adopted appointing the President and Business Manager of the University and the chairman of the Committee on the School of Medicine a special committee to confer with representatives of the College of Physicians and Surgeons and "ascertain what terms can be arranged for the permanent union of the University with the College of Physicians and Surgeons upon the basis of the University ultimately acquiring the title to the property of said College."

After many conferences with a committee of the College of Physicians and Surgeons, extending through the fall months, the committee reported to the Board on December 19th, a tentative agreement designed to accomplish the object in view. Action upon this was deferred until January 10th. At that time the matter was thoroughly discussed and some important modifications were proposed by Mr. Bullard which commended themselves to the Board and it was thereupon voted, with but one dissenting member, that "it is advisable to make a contract with the College of Physicians and Surgeons substantially on the basis of the committee's report, revised and suggested by Mr. Bullard;" and Mr. Bullard and Mrs. Carriel were added to the committee.

Representatives of the committee, so enlarged, have held several conferences with representatives of the College of Physicians and Surgeons and have finally agreed upon the details of a contract which has been carefully put in form by counsel and is herewith submitted.

This contract, in all matters save one, is in exact accord with the vote of the Board, and in other regards is more favorable to the University than the Board required. The exception relates to the fixing of minimum and maximum amounts to be paid to the University annually from the net earnings of the School of Medicine. Upon discussion the committee concluded that the provision was not expedient and would not operate advantageously, and it was accordingly eliminated.

Briefly stated the contract provides: (1) That the value of the real and personal property, equipment, and good will of the College of Physicians and Surgeons, is for the purpose of this agreement, $217,000: (2) That this entire property shall be leased to the University for the term of twenty-five years, or until the termination of the agreement, at $12,000 per year and taxes and assessments; (3) That the net earnings shall in the meantime belong to the two institutions and that out of what has accrued under the lease now in force the University shall have and own $8,000 and the College the remainder, and

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that under the new agreement the University shall have one-third and the stockholders of the College two-thirds of the net earnings: (4) That the College shall forthwith make a sufficient conveyance to the University *in escrow* of all its property and good will and shall make a sufficient conveyance of all properties which may hereafter be acquired: (5) That the share of the University in the net earnings shall be paid annually in cash and be set apart in a separate fund for the purchase of the property and kept invested: (6) That when this fund equals the purchase price of the property it shall be paid over and the conveyance delivered with the option to close the matter out by paying the existing difference in cash at the end of the twenty-five years if the agreement shall not have been already consummated: (7) That during the continuance of the lease the right of initiative as to the policy of, and appointments in, the College shall be with the faculty thereof, including the President of the University, but that ultimate authority shall be with the Board of Trustees; and any enlargement of expenditures shall be by concurrent action: (8) That the University will use the revenues of the College to upbuild the same and advance medical science without being confined to any particular branches of study or methods of instruction: (9) That the College shall not carry on any medical work except in connection with the University: (10) That the University shall not be bound to pay any moneys whatever in connection with the matter except out of the revenues of the College of Medicine.

Many minor details have claimed close attention and are covered by the formal agreement, but the foregoing is a statement of all points believed to be important.

In a word, the agreement does not bind the State in a financial way in any respect, and it is confidently expected to result in the acquisition of a valuable property and good will by the State, and in the promotion of the symmetrical organization and the enhancement of the general usefulness of the State University, through extending the influence of the State in an entirely legitimate and commendable way to the advancement of medical education; and there are substantial reasons for believing that this may be completed inside of twenty-five years.

The Committee recommends that the Board approve the subjoined agreement, and authorize the proper officers to execute the same in duplicate on behalf of the University.

February 9, 1900.

A. S. Draper,
S. W. Shattuck,
A. F. Nightingale,
S. A. Bullard,
Committee.

AGREEMENT BETWEEN THE COLLEGE OF PHYSICIANS AND SURGEONS OF CHICAGO, AND THE UNIVERSITY OF ILLINOIS.

Witnesseth: That, Whereas, The College of Physicians and Surgeons of the City of Chicago, and the University of Illinois, did, upon the first day of April, 1897, enter into an agreement whereby the property and effects of the College of Physicians and Surgeons were leased to the University of Illinois for the period of four years from the twenty-first day of April, 1897, and whereby the said College became the School of Medicine of the said University, and,

Whereas, The arrangement set forth in said agreement has proved satisfactory to the parties and mutually advantageous to the institutions named and to the interest of medical education; and,

Whereas, The earnings of the School of Medicine under the arrangement have exceeded the expenses thereof, and it is deemed that each of the two institutions is equitably entitled to share in the surplus sum arising in the manner and for the purposes hereinafter set forth; and,

Whereas, The stockholders of the College of Physicians and Surgeons, being members of the medical profession practicing in the City of Chicago, invested their money in founding a medical college for the advancement of the interests of their profession, which money has never been repaid to them; and,

Whereas, The surplus earnings of the College of Physicians and Surgeons under the management of the University of Illinois for a term of twenty-five (25) years or thereabouts, now promise to assure the repayment of the money so put into a new and uncertain enterprise, together with a reasonable compensation for the use thereof, and at the same time to clear the property of said institution of liens, incumbrances and indebtedness; and,

Whereas, The stockholders of said College of Physicians and Surgeons recognize the equitable interest and claim of the University of Illinois in and to a part of the surplus earnings, and

Whereas, The College of Physicians and Surgeons desire after such reimbursement and the compensation herein provided for and in consideration thereof, to make over and transfer all of its property to the University of Illinois, upon the performance of the contingencies and conditions named herein, and also earnestly desire to secure the permanent stability and vigorous growth of the School of Medicine along the most scientific lines, to the end that it may in the largest measure realize the great and beneficent ends for which the College of Physicians and Surgeons was founded, and believe that any equities of the University of Illinois will be met and the purposes of the stockholders of the College of Physicians and Surgeons be most fully accomplished by the agreement hereinafter set forth looking to the ultimate permanent transfer of the property and good will of the College of Physicians and Surgeons to the University of Illinois, believing as said stockholders do that the State of Illinois and the University of Illinois will exercise their great power in the premises without regard to the interest of individuals, parties, or classes, and for the uplifting of medical science and the good of our common humanity.

Now, therefore, to fulfill the purposes of the College of Physicians and Surgeons and the University of Illinois the two said corporations do enter into the following agreement, to-wit:

1. This indenture is made this ninth day of February in the year of Our Lord One Thousand Nine Hundred, between the College of Physicians and Surgeons, a corporation duly incorporated and existing under and by virtue of the laws of the State of Illinois, party of the first part, and the University of Illinois, a corporation duly incorporated and existing under and by virtue of the laws of the State of Illinois, party of the second part,—

2. That the said party of the first part, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by the said party of the second part, has demised and leased to the said party of the second part all those premises lying and being in the City of Chicago, in the County of Cook, in the State of Illinois, known and described as follows, to-wit:

Lots Nos. fifteen (15), sixteen (16), seventeen (17), and eighteen (18), in Balestier's Sub-division of Block No. twenty-three (23) in Ashland Second Addition to Chicago, as by a plat of Sub-divisions entitled "Balestier's Subdivision of Blocks eleven (11), part of fourteen (14), eighteen (18), east half of nineteen (19) and twenty-two (22), and all of twenty-three (23) in Ashland Second Addition to Chicago." The said plat of sub-divisions having been recorded in the recorder's office of Cook County, in the State of Illinois, in Book 166 of Maps, pages 70 and 71, and recorded in the same office in Book 14 of Plats, page 85.

To have and to hold the said above described premises with the appurtenances thereunto belonging, together with the property described in the schedule hereto attached, marked "Schedule A," (which schedule bears the signature of D. A. K. Steele, President of the College of Physicians and Surgeons, and

S. W. Shattuck, on behalf of the University of Illinois, for the purpose of identification) unto the said party of the second part, from the first day of May, in the year of Our Lord One Thousand Nine Hundred for and during and until the thirtieth day of April in the year of Our Lord One Thousand Nine Hundred and Twenty-five.

3. And the said party of the second part, for and in consideration of the leasing of the premises aforesaid, by said party of the first part to said party of the second part, and also for and in consideration of the covenants and agreements hereinafter contained, to be kept and performed by the said party of the first part, its successors and assigns, covenants and agrees to pay to said party of the first part, as rent for said premises and property for said period of twenty-five (25) years, the sum of three hundred thousand ($300,000.00) dollars, being an annual rental of twelve thousand ($12,000.00) dollars, to be paid by the said party of the second part to the said party of the first part in semi-annual installments as follows: The sum of six thousand ($6,000.00) dollars at the end of each six months of the term of this lease: *Provided*, however, that the party of the second part shall not be required to pay said rental to said party of the first part, except out of the net earnings of the School of Medicine, that is, the net earnings that remain after all other expenditures, except the payment of said installments of rental under this lease, and *Provided* further, that, if this lease under the terms hereof shall not terminate at the end of the twenty-five (25) years, then said rental of twelve thousand ($12,000.00) dollars a year shall continue to be paid in the same way and under the same conditions until said lease shall be terminated under the provisions hereof.

4. It is hereby further covenanted and agreed by and between the parties hereto, that the real estate hereinbefore described and the personal property set forth in Schedule A, comprise all of the real estate, furniture, apparatus, equipment, books, drugs and other effects of the party of the first part hereto, hereby leased and covenanted to be conveyed according to the terms and provisions of this instrument.

5. And said party of the second part further covenants and agrees to pay (in addition to the rents above specified) all water rents, taxes, and assessments of every kind which may be levied or charged on or against said premises for and during the term for which this lease is in force, and save the premises and the said party of the first part harmless therefrom; and that the said second party will keep said premises in a clean and wholesome condition, in accordance with the ordinances of the City of Chicago and directions of the health officers. *Provided* that these said charges be paid out of the earnings of the School of Medicine the same as is specified for the payment of rent, in article 3 of this agreement. And it is further agreed that all plumbing, water pipes, gas pipes, and sewerage shall be at the risk of said second party.

6. It is agreed by and between the parties hereto, for the purposes of this instrument, that the value of the real estate, equipments, and good will and property of all kinds hereinbefore described and referred to in Schedule A and and belonging to said party of the first part is two hundred and seventeen thousand ($217,000.00) dollars, and that said sum is agreed upon as the price at which the same shall be purchased by the said party of the second part as hereinafter provided.

7. It is hereby further agreed by and between the parties hereto that the term "net earnings" used in this instrument shall mean all that sum remaining of the gross earnings of the College of Medicine for any year after the payment of all current expenses including all sums herein named as contingent rental payable to the College of Physicians and Surgeons.

8. It is further agreed between the parties hereto that the net earnings of the College of Medicine shall belong to the College of Physicians and Surgeons and the University of Illinois, and shall be divided semi-annually as follows,

to-wit: On the fifteenth day of November and the fifteenth day of May of each year, not including May of the first year, and on the thirtieth day of April in the final year of this lease, the Business Manager of the University of Illinois and the Actuary of the College of Medicine shall determine the net earnings for the then current or expiring year and two-thirds of said net earnings shall be paid to the Treasurer of the College of Physicians and Surgeons and one-third shall remain in the hands of the Treasurer of the University of Illinois, as in the paragraph next below agreed. *Provided, however*, that on the fifteenth day of November of each year, only so much of said net earnings shall be divided as the Business Manager of the University of Illinois and the Actuary of the College of Medicine shall decide may not be needed to meet the estimated current expenses of the College of Medicine for the succeeding six months.

9. It is further agreed by and between the parties hereto, that the University of Illinois shall set apart that portion of the net earnings of the College of Medicine belonging to the University of Illinois under the division aforesaid in a distinct and separate fund called the Medical College Purchase and Endowment Fund, and that the University of Illinois shall keep the moneys of said fund, including the annual interest thereon, continually invested in interest bearing securities till the completion of the life of this lease and the conclusion of the purchase of the property and good will of the College of Physicians and Surgeons as provided for in this agreement, and except as hereinafter provided for for the payment of the mortgage indebtedness of the College of Physicians and Surgeons.

10. It is further understood and agreed, that the stockholders of the College of Physicians and Surgeons and said corporation have agreed to sell and transfer, and do hereby agree to sell and transfer to the University of Illinois, and the University of Illinois has agreed and does hereby agree to purchase all the rights, title, and interest of the College of Physicians and Surgeons in all its real estate described in section 2 of this agreement and the equipments and good will and property of all kinds hereinbefore described and referred to in Schedule A, free from all incumbrances and liens for the sum of two hundred and seventeen thousand ($217,000.00) dollars, the said transfer to be made on the first day of May in the year of Our Lord one thousand nine hundred and twenty-five, if the amount of the Medical College Purchase and Endowment Fund described in section 9 above shall at that date have amounted to the purchase price provided for and agreed to in this instrument. *And it is further agreed* by and between the parties hereto, that if the amount of the said Medical College Purchase and Endowment Fund shall not at that date equal the amount of the purchase price herein provided for, then this lease shall continue from year to year until the amount of the Medical College Purchase and Endowment Fund, through its periodical divisions of one-third of the net earnings of the College of Medicine, with interest which shall accrue thereon, shall amount to the full purchase price of the property of the College of Physicians and Surgeons under the provisions of this agreement.

It is provided, however, and hereby agreed, by and between the parties hereto that at the end of the twenty-five (25) year term provided for in this instrument, the University of Illinois shall have at that time the right and option to pay the full purchase price of the property and good will of the College of Physicians and Surgeons remaining unpaid, either out of the Medical College Purchase and Endowment Fund, or out of any other moneys at its command, upon the condition that said University of Illinois shall at least a year prior to the expiration of said term of twenty-five (25) years, notify said College of Physicians and Surgeons of its election to pay said purchase price in full, and upon the condition that said option and election shall be exercised at that time, that is, at the time when said period of twenty-five (25) years shall have expired, and upon such payment at said time by said University of Illinois the deeds to said properties of the College of Physicians and Surgeons bearing even date herewith and held

in escrow by the Secretary of State of the State of Illinois, shall be delivered to said University of Illinois.

It is further provided that on the same date as that of the execution of this agreement a deed of the property of the College of Physicians and Surgeons, with all its equipments and good will, shall be duly executed by said College of Physicians and Surgeons conveying the same to the University of Illinois, subject only to its present mortgage indebtedness, said deed to be held *in escrow*, by the Secretary of State of the State of Illinois, until such time as the University of Illinois shall have paid the full purchase price of the property herein provided to be sold, upon the completion of which payment such deed shall be delivered to the Trustees of the University of Illinois.

It is, however, further agreed by and between the parties hereto, that the University of Illinois shall pay out of the said Medical College Purchase and Endowment Fund from year to year as it is earned, the mortgage indebtedness of the College of Physicians and Surgeons now existing until the same shall have been fully discharged, and interest on the amount of said payments shall be allowed to the party of the second part at the rate of four (4) per cent. per annum, and shall be paid by the party of the first part to the party of the second part annually in cash, and the party of the second part will add such payments of interest to the said Medical College Purchase and Endowment Fund.

Said mortgage indebtedness is fully set forth in Schedule B hereto attached (which said Schedule B bears the signature of D. A. K. Steele, President of the College of Physicians and Surgeons, and S. W. Shattuck, on behalf of the University of Illinois, for the purpose of identification).

It is further agreed by and between the parties hereto, that no other or further indebtedness shall be incurred by the party of the first part without the written consent of the party of the second part.

11. It is further agreed by and between the parties hereto that the Medical College Purchase and Endowment Fund of the University of Illinois shall be held inviolable and applied only as herein provided, and at the close of the lease herein entered into, on the first day of May, in the year of Our Lord One Thousand Nine Hundred and Twenty-five, be applied to the payment of the purchase price of the property of the College of Physicians and Surgeons herein leased, and the surplus, if any, shall be expended as may be necessary in the purchase of further grounds, buildings, and equipments for the College of Medicine of the University: *Provided*, that, if on the date of May first, 1925, there are not sufficient funds in the said Medical College Purchase and Endowment Fund to pay for such purchase then said lease shall be extended from year to year and the day for the purchase of said property of the College of Physicians and Surgeons and for the payment for the same shall be deferred till the thirtieth day of April next after the said fund shall have increased so as to be equal to the said amount: *And, provided further*, if the purchase price of two hundred and seventeen thousand ($217,000) dollars agreed upon shall have been increased in accordance with and in consequence of the provisions herein providing for the increase of said purchase price then the payment provided for herein shall be made and the transfer of said property be made, and the delivery of the deed held *in escrow* shall be made to the Trustees of the University of Illinois, when the sum in said Medical College Purchase and Endowment Fund shall be equal to the purchase price increased as herein provided for and paid over to the College of Physicians and Surgeons, unless said purchase price shall be paid in full upon the expiration of the term herein demised, and it is further understood and agreed that on the payment of the purchase price herein stated the College of Physicians and Surgeons shall convey by good and sufficient deed to the University of Illinois all of said properties, equipments, and good will, and also all additional properties and equipments acquired under the terms of this agreement.

12. It is further agreed by and between the parties hereto, that the College of Physicians and Surgeons, after being authorized to do so by the Board of Trustees of the University of Illinois, may purchase additional lands and construct or purchase additional buildings, acquire additional equipment, or make other permanent improvements for the purposes of the College of Medicine at a cost stated in the act, resolution, or permit of the Board of Trustees of the University when the said improvements or purchases are authorized. *Provided*, that the cost of said several purchases, improvements, and equipments shall be agreed upon and stated in the act, resolution, or permit of the Board of Trustees authorizing the said several purchases, improvements, and equipments: and, *Provided further*, that the improvements shall be made under the supervision of the Board of Trustees of the University of Illinois, and the actual cost thereof shall be audited by the Board of Trustees of the University of Illinois and entered upon its records.

And it is further agreed, That the purchase price of two hundred and seventeen thousand ($217,000) dollars stated herein shall be increased by such amount or amounts actually expended by the College of Physicians and Surgeons in said purchases, improvements, and equipments, and audited and approved by said Board of Trustees of the University of Illinois.

And provided further, That no increase shall be made in the said purchase price of two hundred and seventeen thousand ($217,000) dollars for any expenditure or expenditures not authorized by the Board of Trustees of the University of Illinois as herein stipulated. *And it is further agreed by and between the parties hereto*, that in case the College of Physicians and Surgeons shall make purchases or improvements as provided for herein that the amount of annual rental stated in this agreement shall be increased by an amount equal to four (4) per cent of the amount or amounts of the actual cost of the said purchases, improvements and equipments.

13. It is further agreed by and between the parties hereto, that the University of Illinois, with the approval of the Board of Directors of the College of Physicians and Surgeons, may purchase lands and construct or purchase buildings or equipments for the purposes of the College of Medicine, paying for the same out of funds other than the earnings of the College of Medicine, and in such case it is agreed that the College of Physicians and Surgeons will deduct from the annual rental due it from the University of Illinois a sum equal to four (4) per cent of the costs of such lands, buildings and equipments.

14. It is hereby further agreed by and between the parties hereto that a working fund of eight thousand ($8,000.00) dollars shall be established by the College of Physicians and Surgeons on or before the first day of May, 1900, which shall be the property of the University of Illinois, under the provisions of this instrument for current expenses only of the College of Medicine, and that said fund of eight thousand ($8,000.00) dollars shall be replenished so as to bring it to that amount, out of the gross earnings of the College of Medicine upon the first day of May of each year during the life of this lease.

15. And the said party of the second part further agrees with the said party of the first part that said second party will, during the term of this lease, conduct and carry on upon the premises hereinbefore described a College of Medicine and Surgery, and no other school or business whatever, and that it will continue during the said term to use the name "College of Physicians and Surgeons" in connection with the term "College of Medicine of the University of Illinois," as the name and designation of said College.

16. And it is further agreed by and between the parties hereto as one of the conditions and considerations of this lease that the University of Illinois shall not establish or become identified with any other College or School of Medicine, or Medical Business or Department of any kind other than the College of Medicine herein referred to during the life of this lease. But this shall not be inter-

preted as prohibiting the introduction into the curriculum of the College of Medicine of any branch of study or method of instruction not now included therein.

17. It is further agreed by and between the parties hereto that the Faculty of the College of Medicine, during the life of this lease, shall be made up of the President of the University, and the Professors, Associate Professors, Adjunct Professors, and Lecturers belonging to the corps of instruction of the College of Medicine and shall be known as the Teaching Faculty of the College of Medicine.

18. And it is further agreed by and between the parties hereto that during the life of this lease the President of the University and such members of the Teaching Faculty of the College of Medicine as hold and own twenty or more shares of stock in the College of Physicians and Surgeons, shall constitute the Executive Faculty of the College of Medicine.

19. It is further agreed by and between the parties hereto that during the life of this lease the Executive Faculty of the College of Medicine shall have an advisory relation to the President and Business Manager of the University, and to the Board of Trustees with respect to all matters appretaining to the College of Medicine. It shall annually nominate to the Board of Trustees through the President of the University from its membership a Dean, an Actuary, and a Secretary for the College of Medicine.

There shall also be reserved to the Executive Faculty the right to nominate in like manner candidates to fill vacancies in the corps of instruction, and it shall in like manner coöperate with the University of Illinois in determining the educational policy of the School.

Further, the Dean, with the advice and consent of the Executive Faculty, shall recommend as occasion may arise, the acceptance of resignations, or dismissals from the corps of instruction, and shall in like manner, from time to time, recommend discontinuance or establishment of chairs of instruction, or the change of title of any chair.

It is further provided, however, that should the Board of Trustees of the University not be able to secure from the said Executive Faculty, by a majority vote thereof, the nomination of a person who is, in the judgment of the Board of Trustees, qualified and suitable to fill the office of Dean, or one who is qualified and suitable to fill the office of Actuary, or one who is qualified and suitable to fill the office of Secretary, or one who is qualified and suitable to fill any vacancy in a teaching position for which the Executive Faculty is empowered to make nominations, then, and in that case, the Board of Trustees may direct the Teaching Faculty of the College of Medicine to nominate a person who shall be qualified and suitable to fill such vacancy; and in case the Teaching Faculty, by a majority vote thereof, shall fail to nominate a person qualified and suitable in the judgment of the Board of Trustees to fill such vacancy, then, in that case, the Board of Trustees may proceed to elect such a person to fill such vacancy without reference to any nomination on the part of the Faculty for such office or such teaching position.

20. It is further agreed by and between the parties hereto, that the Actuary shall, with the advice and consent of the Executive Faculty, recommend the rate or compensation to be paid to any member of the corps of instruction, or to any officer or employe of the College of Medicine. He shall, under the same conditions, recommend in what manner and in what amount other sums from the treasury of the College of Medicine shall be expended on its account.

Nevertheless, the Board of Trustees may decide to pay to any officer, teacher, or employe, a salary which shall be less in amount than that recommended by the Actuary and the Executive Faculty to be paid to any such person, but may not increase such salary, to be paid out of the working fund above provided for, or out of the earnings of the College of Medicine, beyond the sum thus recommended.

Expenditures recommended by the Actuary and the Executive Faculty to

be paid out of the working fund or earnings of the College of Medicine, for any purpose other than the payment of salaries, may be approved, disapproved or reduced in amount by the Board of Trustees, but may not be increased beyond the sums named in such recommendations.

21. It is further agreed by and between the parties hereto, that any change in the tuition and other fees now in vogue in the School of Medicine, hereafter to be known as the College of Medicine, shall be the subject of recommendation by the Executive Faculty to the Board of Trustees, and by such Board be approved or disapproved.

22. It is hereby agreed by and between the parties hereto, that after the expiration of this lease, and the purchase of the properties mentioned in this instrument by the University of Illinois, the party of the first part, in view of the conveyance of its good will as provided for in this agreement, shall not thereafter conduct a Medical College or School, or do any other business in that line.

23. It is further agreed and provided by and between the parties hereto, that this lease shall not be assignable by the University of Illinois during the life of this lease.

24. It is further stipulated and agreed between the parties hereto, that if any stipulation, covenant, or agreement herein contained is in excess of or beyond the corporate powers of either of said parties such fact shall in no wise impair or affect the validity of this instrument or the rights of said parties hereunder, and that this instrument and the rights of the parties under it shall be construed to be the same as they would have been if everything herein contained in excess of or beyond the corporate powers of either party had been omitted therefrom.

In witness whereof, the undersigned officers of the respective parties hereto, authorized by resolution of their respective Boards, and also a committee appointed by the party of the first part, consisting of D. A. K. Steele, Oscar A. King, John B. Murphy, and William E. Quine have hereunto attached their signatures as official representatives of the parties hereto and the corporate seals of said parties at the City of Chicago in the State of Illinois, on the ninth day of February, A. D. 1900.

Committee. { D. A. K. Steele, [SEAL]
Oscar A. King, V. Pres. [SEAL]
John B. Murphy, [SEAL]
Wm. E. Quine. [SEAL]

[Seal of College of Physicians and Surgeons.]

The College of Physicians and Surgeons, of Chicago, By D. A. K. Steele, Pres. [SEAL]
Wm. Allen Pusey, Secretary. [SEAL]

[Seal of the University of Illinois.]

University of Illinois,
By Alexander McLean, Pres. [SEAL]
W. L. Pillsbury, Secretary,
Board of Trustees, University of Ill. [SEAL]

State of Illinois, } ss.
County of Cook. }

I, E. Evelyn Ballard, a Notary Public, in and for said county and State aforesaid, do hereby certify that on this ninth day of February, A. D. 1900, personally appeared before me, D. A. K. Steele, Oscar A. King, Wm. E. Quine, D. A. K. Steele, President, and Wm. Allen Pusey, Secretary, of the College of Physicians and Surgeons, and Alexander McLean, President, and W. L. Pillsbury, Secretary, of the Board of Trustees of the University of Illinois, to me personally known to me to be the same persons who executed the foregoing

instrument, and severally acknowledged that they had executed the same for the purposes therein set forth.

In witness whereof, I have hereunto set my hand and seal the day and year above written.

E. Evelyn Ballard,
Notary Public.

[Notary Seal]

State of Illinois, } ss.
County of Cook. }

I, E. Evelyn Ballard, a Notary Public, in and for said county and State aforesaid, do hereby certify that on this twelfth day of February, A. D. 1900, personally appeared before me John B. Murphy, to me personally known to me to be the same person who executed the foregoing instrument, and acknowledged that he had executed the same for the purposes therein set forth.

In witness whereof, I have hereunto set my hand and seal the day and year above written.

E. Evelyn Ballard,
Notary Public.

[Notary Seal.]

SCHEDULE B.

The following is a full and complete schedule of all the liabilities of the College of Physicians and Surgeons existing at the present date:

First—A loan of twenty-five thousand, ($25,000.00) dollars due Hetty Green, December, 1901, secured by mortgage on the property of the College of Physicians and Surgeons.

Second—Bonds secured by second mortgage to the amount of fifteen thousand ($15,000.00) dollars, due December, 1905.

Third—Also twenty-five thousand ($25,000.00) dollars in bonds, secured by mortgage, due December, 1912.

Fourth—A note for two thousand ($2,000.00) dollars, running to Dr.——— Trott, due December, 1900.

Fifth—And finally, three thousand, seven hundred ($3,700.00) dollars, due D. A. K. Steele for cash advancement, and unsecured.

Making a total of seventy thousand, seven hundred ($70,700.00) dollars.

For the purpose of identification witness our signatures hereto.

D. A. K. Steele, *President*,
S. W. Shattuck.

February 9, 1900.

Mr. Smith moved that the report of the committee be received and adopted and that the President and Secretary of the Board of Trustees of the University of Illinois be instructed to execute in duplicate the contract reported, and it was so ordered. [Rept. of Univ. of Illinois, 20, pp. 245–254.]

SETTLEMENT WITH THE COLLEGE OF PHYSICIANS AND SURGEONS.

As instructed at the last meeting of the Board, the Business Manager, Professor S. W. Shattuck, presented the following recommendations with regard to a settlement with the College of Physicians and Surgeons under the present agreement:

University of Illinois, April 17, 1900.

To the Board of Trustees of the University of Illinois.

Gentlemen: Pursuant to your directions I recommend the following rules in the settlement of the present agreement with the College of Physicians and Surgeons, which ends May 1, 1900, and the putting in force of the new one which begins on that date:

1. The Actuary of the College of Physicians and Surgeons, and the Business Manager of the University, shall audit the receipts and expenses of the School of Medicine of the University up to and including April 30, 1900.

2. The excess of receipts over expenses shall be paid to the College of Physicians and Surgeons if the inventory called for in rule five be accepted as meeting the requirements of the first lease.

3. All bills which may be presented after this settlement that belong to the operation of the School of Medicine under the lease that expires May 1, 1900, shall be audited and paid, if allowed, by the College of Physicians and Surgeons, and all receipts from accounts due for the same time are to be turned over to the College of Physicians and Surgeons; but it is understood that the fees from students for the session that begins in April of 1900, come under the new agreement.

4. The Treasurer of the University is hereby authorized to receive and receipt for the working fund of $8,000.00 that is provided for in the new agreement, and this payment is to be made at the time that the payment of the excess of receipts over expenses is made.

5. An inventory of all the property corresponding to Schedule A of the lease ending May 1, 1900, in the possession of the School of Medicine on that date, shall be made by the Actuary, Dr. Steele, and the Business Manager of the University, in order to determine if such property meets the requirements of the lease.

6. The University and the College of Physicians and Surgeons shall place upon their records a statement to the effect that the requirements under the present lease have been complied with to the satisfaction of both parties.

Respectfully submitted,

S. W. Shattuck,
Business Manager.

The foregoing rules were adopted, and the Business Manager was instructed to make settlement with the College of Physicians and Surgeons in accordance therewith, and report the same to this Board. Authority was given to draw warrants as might be necessary to conclude the transaction. [20 Rept. Univ. of Illinois, pp. 281–282.]

University of Illinois, June 12, 1900.

To the Board of Trustees of the University of Illinois.

Gentlemen:—I have the honor to report that under the authority given by your action of April 17, 1900, I have settled with the College of Physicians and Surgeons of Chicago the financial matters of the agreement which terminated May 1, 1900. The balance found due that corporation is $28,380.97, this amount has been paid over and the University treasurer has received the $8,000 provided for in the new agreement. I enclose herewith two papers which I wish to make a part of this report.

Statement of Receipts and Expenses of the School of Medicine from April 21, 1897, to April 30, 1900.

Receipts		$159,925.47
Warrants	$131,544.50	
Balance	28,380.97	
Total	$159,925.47	$159,925.47

S. W. Shattuck, Business Manager,
D. A. K. Steele, Actuary,
Auditing Committee.

UNIVERSITY OF ILLINOIS, May 14, 1900.

This writing is to certify that the undersigned have made an inventory of al property in the possession of the School of Medicine of the University of Illinois, corresponding to Schedule A, of the lease ending May 1, 1900, and that they find the same to be equivalent in kind and value to that which was received by the University of Illinois from the College of Physicians and Surgeons of Chicago, April 21, 1897, and that it is accepted by both parties representing the University of Illinois and the College of Physicians and Surgeons of Chicago, as meeting all of the requirements in this respect under the lease which terminated May 1, 1900.

S. W. SHATTUCK, Business Manager,
D. A. K. STEELE, Actuary,
Auditing Committee.

Respectfully submitted.

S. W. SHATTUCK,
Business Manager.

This report was received and approved for record. [20 Rept. Univ. of Illinois, pp. 312, 313.]

PURCHASE OF WEST DIVISION HIGH SCHOOL PROPERTY FOR COLLEGE OF MEDICINE.

Dr. Quine and Dr. Steele of the College of Medicine were then heard with regard to a proposed purchase of the West Division High School property in Chicago for the use of the College of Medicine.

The subject was referred to a special committee consisting of Mrs. Flower and Messrs. Bullard and Smith, together with the president of the board, Mr. McLean, and the committee was instructed to report at the December meeting of the board, or earlier, if in its judgment further consideration of the matter by the board should not be so long deferred. [21 Rept. Univ. of Illinois, p. 1.]

Mr. Bullard, from the special committee, made the following report and moved its adoption:

URBANA, Nov. 9, 1900.

To the Board of Trustees

Your special committee to consider the request of the College of Medicine for the approval by this Board of the proposal to purchase the West Division high school property in Chicago, reports as follows:

Your committee has taken the time to examine into the needs of the College of Medicine for enlarged quarters, the character and condition of the West Division high school building, the value of said property, the price asked for the same, and probability of the College of Medicine producing a surplus of revenue above expenses should the said building be purchased, and the probable effect of the said purchase upon the contract now in force, and the time of its termination.

After seriously considering the subject and obtaining as much information as possible from parties more conversant with certain phases of the question than your committee we have arrived at the following conclusions:

(1) Your Committee believes that the need of the College for enlargement in its buildings is urgent; that the present building is barely large enough to accommodate the present attendance of 635, and not at all adequate to accommodate the increase of another year or two years. If the College is to grow—and we believe that if it remains a department of the university it must grow—then at the farthest we cannot delay a year without doing incalculable injury to the College.

(2) The West Division high school building occupies a half block of ground, having an area of 42,845.76 square feet and having a possibility of enlargement of 4,272 square feet by the vacation of an alley. This school building is adjoining the building of the College and, if obtained, the whole would really become one piece of property. It is, therefore, for the College, the most desirable piece of property in its vicinity. The building occupies about 27,500 square feet of ground, only about two-thirds of the whole tract. It is three stories high not including the basement, which is a fairly good story for certain purposes. It is well built and is in good condition. It is sufficiently large to accommodate 1,200 high school pupils, has 28 rooms for instruction besides a large assembly room seating 1,250, and three laboratories and other necessary rooms, together with cloak and toilet rooms. The building is much larger than necessary to accomodate the increase of the students in the College of Medicine, for several years, and, therefore, is not an economical investment unless immediate occupancy can be provided by a permanent tenant that would not interfere with the use of the remainder of the building by the College. Your Committee is assured that such an arrangement, entirely agreeable to all parties interested, can be consummated.

(3) Your Committee has carefully estimated the value of the said property and is of the opinion that it is worth $170,000 to $175,000.

(4) The price asked by the Board of Education of the City of Chicago, is $186,000, and it is the belief of the members of the faculty of the College conversant with the matter that the price fixed by the School Board cannot be reduced at present, and that an attempt to secure a reduction would be at the risk of the withdrawal of the offer at any price. The advantage of having additional buildings on contiguous property makes this property of more value to the College by an indetermined amount than any other. This will in large measure diminish the difference between the two figures.

(5) Your Committee has been especially particular to determine as accurately as possible the amount of income and expense the Medical College may reasonably expect following the purchase of the said property. It is the desire and determination of the faculty of the College of Medicine to organize a Dental School as a department of the Medical College and have it occupy a part of the new building. We have all also considered the possibility of providing the Pharmacy School of the University with quarters in the building. In this manner we estimate that the building would be well occupied from the opening of school in 1901, and, while there would still be much room for expansion in the College and in each of the schools, the building would be so occupied from the first that an excess of revenue above expense may be safely relied upon the first year, as well as a gradual increase in surplus during succeeding years. The income from the Medical College which will fall to the Medical College purchase and endowment fund of our treasury this year will be sufficient, if continued, to pay out the contract with the College of Physicians and Surgeons within the period of the contract. We estimate that on the most conservative and trustworthy basis the use of the new building by the Medical College would produce sufficient additional surplus each year to pay for the new building, likewise during the term of the contract.

(6) It was the fear of some members of the Committee that the large cost of this property would so increase the amount now provided for in the contract that the period of fulfillment of the contract would be indefinitely extended. This fact has caused the Committee to be unusually careful in its estimates. Our conclusions are that while the amount of the contract would be increased to about $400,000, the income to our treasury would amount to $15,000 a year on an average, which would pay off the total within the original limit of the contract.

Now, in accordance with the conclusions arrived at by your Committee, the

following resolutions are presented by your Committee and are recommended for adoption:

WHEREAS, The Medical College of this University is in need of larger quarters for its present and growing attendance; and,

WHEREAS, The Chicago School Board has offered to sell the West Division high school building of that city; and,

WHEREAS, The said building is adjoining the building of the Medical College and adequate to the needs of the College; and,

WHEREAS, Additional room is desired for the use of the Pharmacy School and for a Dental School, both of which may be housed in the surplus room of the said high school building; therefore be it,

Resolved, That the College of Physicians and Surgeons of the City of Chicago is hereby authorized to purchase the West Division high school property of the City of Chicago, described as lots one (1) to seven (7), inclusive, in block twenty-three (23), also sublots one (1) to seven (7), inclusive, of lots nineteen (19) to twenty-five (25), inclusive, in block twenty-three (23), and the vacated alley running north and south through said block twenty-three (23) in Ashland Second Addition to Chicago, in the west half (½) of the north east quarter (¼) of section eighteen (18), township thirty-nine (39) north, range fourteen (14) east of the third (3d) principal meridian, the said purchase to include the building or buildings thereon, together with the furniture, fixtures and apparatus therein, all of the said property to be acquired for the purposes of the College of Medicine of this University, in accordance with article twelve (12) of an agreement entered into between this University and the College of Physicians and Surgeons on the ninth day of February, A. D. 1900, and that the sum to be paid for the said property be an amount not exceeding one hundred and eighty-six thousand ($186,000) dollars; it is further

Resolved, That the College of Physicians and Surgeons is hereby authorized to make permanent improvements in the building described in the foregoing resolution, after its purchase, for the purposes of the Medical College, to an amount not exceeding five thousand ($5,000) dollars, in accordance with article 12 of the contract aforesaid.

All of which is respectfully submitted,

S. A. BULLARD,
T. J. SMITH,
LUCY L. FLOWER,
ALEX. MCLEAN,
Committee.

Mr. Smith moved to amend by adding to the resolution for the purchase of the property in question the following:

Provided that this purchase shall in no way be allowed to operate to postpone the termination of the contract now in force between the University of Illinois and the College of Physicians and Surgeons, of Chicago, so far as it relates to the University's acquiring the title and receiving the deed for the property described, so as to conform to the provisions of article ten of original contract with the College of Physicians and Surgeons.

The amendment was adopted and the report as amended was adopted. [21 Univ. of Illinois Rept., pp. 21–23.]

The Secretary presented the following communication from the College of Physicians and Surgeons, of Chicago:

CHICAGO, Nov. 15, 1900.

Mr. W. L. Pillsbury, Secretary of the Board of Trustees of the University of Illinois,

DEAR SIR: The following is a copy of part of the minutes of the meeting

of the Board of Directors of the College of Physicians and Surgeons, of Chicago, held November 10, 1900, relating to the authorization received by the Board of Directors from the Board of Trustees of the University of Illinois for the purchase of the West Division High School property. The part of the minutes in regard to this matter is as follows:

"A communication was presented by the President from the Board of Trustees of the University of Illinois authorizing the purchase of the West Division High School property as applied for by the College of Physicians and Surgeons. This communication was read and on motion and second was accepted and placed on file.

On motion and second the Secretary was instructed to notify the Board of Trustees of the University of Illinois of the receipt of the approval given by the Board of Trustees to the application of the Board of Directors of the College of Physicians and Surgeons for authority under the contract with the University of Illinois to purchase the West Division High School property at a cost not to exceed $186,000.00.

He was further instructed to notify the Board of Trustees that the Board of Directors of the College of Physicians and Surgeons proposes to act upon the authorization." Yours truly,

WM. ALLEN PUSEY, *Secretary.*

[21 Rep't Univ. of Illinois, p. 29.]

SCHOOL OF DENTISTRY.

Dr. King, of the College of Medicine, was heard with regard to the organization of a school of dentistry as a department of the College of Medicine.

With regard to this matter the Board adopted, on motion of Mr. Smith, the following resolution:

Resolved, That the Board of Trustees approves the proposition that the College of Medicine establish a department of dentistry, and hereby authorizes the authorities of said College to proceed with the steps leading thereto in conjunction with the Committee of this Board on the College of Medicine and the President of the University, it being understood, however, that nothing should be consummated until first reported and passed upon by this Board. [21 Rep't Univ. of Illinois, p. 49.]

The Committee on the College of Medicine made the following report, which was adopted:

URBANA, ILL., March 12, 1901.

To the Board of Trustees of the University of Illinois.

GENTLEMEN: In accordance with the resolution of Jan. 23, 1901, concerning the establishment of a School of Dentistry in connection with the College of Physicians and Surgeons, the Committee which was to act in conjunction with the College of Medicine, reports that steps have been taken to inaugurate such a school at the commencement of the next college year in accordance with arrangements made between the College of Medicine and the Illinois School of Dentistry.

A. F. NIGHTINGALE,
F. M. MCKAY,
A. S. DRAPER,
S. A. BULLARD,
Committee.

Witnesseth,

WHEREAS, The College of Physicians and Surgeons of Chicago, to act with the Committee of the Board of Trustees of the University of Illinois and the President of the said University, has been authorized by the Board of Trustees of

the University of Illinois to organize a department of dentistry in the College of Medicine of said University, and,

WHEREAS, an entirely new organization with a new name, a new faculty, and new equipment, free from the drawbacks, and prejudice against, or known weaknesses of, existing schools of dentistry is believed to be highly desirable, and,

WHEREAS, it is also believed to be equally desirable and good policy to acquire the influence, connections, strength, and good will of existing schools of dentistry in so far as these may be so acquired at reasonable cost, and,

WHEREAS, The Board of Directors of the Illinois School of Dentistry, of Chicago, a corporation organized under the laws of the State of Illinois, and a well-established and reputable college, with a standard curriculum, a moderate equipment of the value of about $7,000, a reputable faculty, including several excellent teachers, and an enrollment of more than 100 students at present in attendance upon its instruction, are willing to surrender its charter, sell its equipments, transfer its students, and to lead its best teachers to accept places in the faculty of a new school of dentistry of the College of Medicine of the University of Illinois with reasonable compensation therefor, and,

WHEREAS, the College of Physicians and Surgeons, a corporation existing under the laws of the State of Illinois, and the Illinois School of Dentistry, after full investigation and consideration believe that the interests of both institutions and of the University of Illinois, as well as the interests of public education, will be greatly furthered and promoted by the establishment of a department of dentistry in the College of Medicine and the taking over thereto of the Illinois School of Dentistry as a beginning and nucleus of the proposed Dental School of the University of Illinois.

Now, therefore, to fulfill the purposes of the College of Physicians and Surgeons and the Illinois School of Dentistry, and to increase the usefulness and greatness of the University of Illinois, the parties hereto have entered into the following agreement: Subject to its approval and acceptance by the Board of Trustees of the University of Illinois, and subject to the successful transference of the West Division High School to the ownership of the College of Physicians and Surgeons on or about July 1, 1901.

1. It is mutually agreed that there shall be organized a department of dentistry of the College of Medicine of the University of Illinois; that it shall have all the rights, privileges, and advantages enjoyed by the other departments of the said College of Medicine and shall be equipped and opened for instruction to classes in dentistry on or about the first of October, 1901. It shall be understood and advertised as strictly a new school and shall be known as the School of Dentistry of the University of Illinois.

2. The said Illinois School of Dentistry agrees to transfer its equipment, franchises, memberships, and good will to the College of Physicians and Surgeons in furtherance of the above expressed purposes, and to accept therefor, and for its services in transferring its interest intact to the proposed School of Dentistry of the University of Illinois, the sum of $17,000.00, payable in 6 per cent. interest bearing bonds of the College of Physicians and Surgeons, the same to be delivered on or about the second day of July, 1901, and the said College of Physicians and Surgeons on its part, in furtherance of the above named purposes, agrees to pay to the Illinois School of Dentistry for said equipment, franchises, memberships, and good will, and for its services in transferring its membership and good will to the proposed School of Dentistry of the University of Illinois, the said sum of $17,000.00, payable in said bonds, the same to be delivered on or about the second day of July, 1901.

3. The said Illinois School of Dentistry agrees to transfer its lease to the premises now occupied by it and to assign its contracts with its teachers to the College of Medicine of the University of Illinois, which transfer and assignments

are to take effect on the 15th day of May. 1901, and the said College of Physicians and Surgeons agrees to assume for the benefit of the College of Medicine the obligations of the said lease and the contracts with the said teachers. The said lease herein referred to, for which the College of Physicians and Surgeons becomes responsible, dates from May 15, 1901, and expires May 1, 1904, at a stipulated annual rental of $3,500. The contracts with teachers for which the College of Physicians and Surgeons becomes liable are for the services of persons during specified time as follows: Dr. D. M. Cattell, $1,650, under contract for 12 months; Dr. C. M. Ditmar, $1,250, under contract for seven months; Dr. Geo. W. Cook, $1,200, under contract for 12 months; Dr. E. W. McWhinney, $550, under contract for seven months; Dr. C. E. Jones, $900, under contract for 12 months.

4. It is mutually agreed that the Illinois School of Dentistry shall continue with full authority and rights to conduct its present school as heretofore until the 15th day of May, 1901.

5. It is further understood and agreed that the Illinois School of Dentistry shall, on or before the transference of its property and the receipt of payment therefor, discharge every obligation and debt standing against the said school, or for which the said school may be held, except the obligations mentioned above in paragraph 3 of this instrument.

6. It is mutually understood that the appointments of Mr. R. P. Donaldson for Superintendent of the proposed dental department, and Dr. B. J. Cigrand as Professor of Dental Prosthesis and History, shall be recommended to the Board of Trustees of the University of Illinois by the Executive Faculty of the College of Medicine, and that each shall be recommended to receive a salary of $1,500 per year, said salaries to begin on May 15, 1901.

7. It is further agreed that a complete itemized inventory of all its property, equipment, and effects, with values attached, shall be furnished by the Illinois School of Dentistry to the actuary of the College of Medicine on or before March 1, 1901.

In witness whereof the Committees of the College of Physicians and Surgeons and the Illinois School of Dentistry, appointed for this purpose and with powers, hereunto set their hands on this 15th day of February, 1901.

OSCAR A. KING,
WM. M. HARSHA,
D. A. K. STEELE,
Committee for the College of Physicians and Surgeons.
R. P. DONALDSON,
B. J. CIGRAND,
G. C. VARNEY,
Committee for the Illinois School of Dentistry.

And the officers of the corporations, parties thereto, have set their hand and caused to be affixed their corporate seals.

COLLEGE OF PHYSICIANS AND SURGEONS,
By D. A. K. STEELE, *President.*
W. A. PUSEY, *Secretary.*
ILLINOIS SCHOOL OF DENTISTRY,
By F. M. BROWN, *President,*
B. J. CIGRAND, *Secretary.*

[21 Rep't Univ. of Illinois, pp. 54–56.]

TRANSFER OF WEST DIVISION HIGH SCHOOL.

To the Board of Trustees.

Your special committee on the purchase of the West Division High School property by the College of Physicians and Surgeons (Sept. 21, 1900), begs leave to report that in order to complete the purchase of the said property, as author-

ized by the Board, it will be necessary to authorize an increase of the indebtedness of the said College in accordance with Article 10 of the contract between the College of Physicians and Surgeons and the University of Illinois dated the ninth day of February, 1900.

Your committee therefore recommends the adoption of the following preamble and resolutions:

Whereas, by a resolution passed by this Board November 9, 1900, the College of Physicians and Surgeons of the City of Chicago was authorized to purchase for $186,000 from the City of Chicago the property known as the West Division High School, which property is fully legally described in said resolution, and,

Whereas, the said College of Physicians and Surgeons was further authorized on the same date to make permanent improvements to the building on said property to an amount not exceeding $5,000, and,

Whereas, January 23, 1901, this Board by resolution authorized the College of Physicians and Surgeons to organize a School of Dentistry in said College of Medicine, and did on the 12th day of March, 1901, approve an agreement between the College of Physicians and Surgeons and the Illinois School of Dentistry, whereby the organization of a School of Dentistry in the College of Physicians and Surgeons is to be consummated by the purchase of the Illinois School of Dentistry for the sum of $17,000, and,

Whereas, it is the intention of the College of Physicians and Surgeons to improve permanently the present building of the said College at a cost not to exceed $8,000, and to place therein the new school of Dentistry; now therefore, for the accomplishment of the above purposes, be it

Resolved, that the College of Physicians and Surgeons be and is hereby authorized and permitted to increase its indebtedness to the amount and in manner as follows: On first mortgage against said West Division High School property to the Chicago Board of Education for five years at 6 per cent interest the sum of $86,000. In bonds of the corporation and secured by a second mortgage against said High School property running from 10 to 20 years at 6 per cent interest, the sum of $109,000. And it is further

Resolved, that it be permitted to change the form of indebtedness of the College of Physicians and Surgeons secured by mortgage against the present building legally described in the contract between the said College of Physicians and Surgeons and the University of Illinois, dated the ninth day of February, 1900, and amounting to $21,000, from a note to bonds of the College of Physicians and Surgeons at a less rate of interest, not to exceed 6 per cent per annum, the said bonds to be secured by a mortgage on the said property.

Respectfully submitted,

S. A. Bullard,
T. J. Smith,
Alex. McLean.

The report was adopted. [21 Rep't Univ. of Illinois, pp. 66, 67.]

College of Medicine.

receipts and expenditures.

The Committee on the College of Medicine made the following report:

Urbana, Ill., Aug. 23, 1901.

To the Board of Trustees.

Your Committee on the College of Medicine begs leave to make the following statement of receipts and expenditures of the College of Medicine of the University of Illinois for the year ending May 1, 1901.

Receipts		$70,655.38
Expenditures	$58,655.38	
Divided surplus	12,000.00	
		$70,655.38

Respectfully submitted,

ALEXANDER MCLEAN,
F. M. MCKAY,
Committee on College of Medicine.

The report was accepted.

FIRE LOSS, REPAIRS, IMPROVEMENTS.

URBANA, ILL., Sept. 28, 1901.

To the Board of Trustees:

Your Committee on the College of Medicine begs leave to report as follows:

On the night of June 25, 1901, a fire occurred in the Building of the College of Medicine which destroyed a portion of the building, together with a large part of its contents. The loss having been adjusted by representatives of the several insurance companies whose policies were held, there was allowed and paid—

On building	$19,500.00	
On contents	15,449.34	
On lease	2,663.28	
TOTAL		$37,612.62

Your committee deems the settlement reasonable and liberal, as will fully appear from exhibit A hereto attached.

It was doubtless the duty of the officers of the College of Physicians and Surgeons as landlords, to proceed to repair the damage by fire, and reconstruct the old college building.

The Board of trustees had already authorized the expenditure of $5,000.00 on the new building and $4,000.00 for equipment for the School of Dentistry.

The officers of the College of Physicians and Surgeons found it necessary to make repairs and changes at once, and so proceeded to call for bids in order to have the building ready for the opening of the fall season October 1, 1901.

Exhibit B herewith shows in detail the amount of bids and the cost of repairs and equipment.

EXHIBIT B.

August 30, 1901.

D. A. K. Steele, Actuary, Chicago, Ill.

MY DEAR DOCTOR:—Pursuant to your request for a detailed report of contracts let for repairing the old college building (in consequence of the damage by fire) for the Dental school, and remodeling High School building for College purposes, I respectfully submit the following:

LIST OF CONTRACTS FOR THE OLD BUILDING

Work marked "C" indicates that the contract is awarded and signed. The general work of carpentry and masonry is let to Jacob Rodatz.

Iron—F. P. Smith Wire & Iron Works, c	$2,369.00	
Temporary plumbing—K. L. Roller, c	28.42	
Rope—Geo. B. Carpenter Co., c	.75	
Wrecking—W. M. Crilly	580.91	
Temporary roof—W. W. Powell Co., c	164.75	
Elevator, passenger—Otis Elevator Co., c	2,600.00	
Testing columns—Union Foundry Works, c	6.00	
Hardware—S. J. Stebbins Co., c	38.46	
Mackolite boards—Mackolite Fire Proofing Co., c	90.00	
Masonry and carpentry—Jacob Rodatz, about	5,500.00	
Forty tables, Dental School—Nollau & Wolf Mfg. Co., c	620.00	
Sheet Metal—Louis Biegler Cornice Co., c	5,205.00	
Asphalt floors—Assyrian Asph. Co., about	1,100.00	
Electric—Henry Newgard & Co., c	1,425.00	
Lath and plastering—W. Balhatchet, about	1,000.00	
Fixtures—E. D. Evans, c	914.00	
Paint, bid	2,997.00	
Plumbing, approximate—architect's estimate	1,200.00	
Heating, approximate—architect's estimate	1,500.00	
Window shades, approximate—architect's estimate	200.00	
Metal ceilings, approximate—architect's estimate	500.00	
Gas Fixtures—approximate—architect's estimate	300.00	
Hardware, approximate—architect's estimate	150.00	
Prism glass, approximate—architect's estimate	96.00	
Glass, approximate—architect's estimate	622.00	
Architect, approximate—architect's estimate	1,660.00	
		$30,867.29
LIST OF CONTRACTS FOR THE HIGH SCHOOL BUILDING		
Office fixtures—A. H. Revell & Co., c	$1,870.00	
Elevator, passenger—Otis Elevator Co., c	2,600.00	
Electrics and telephones—Arthur Frantzen & Co., c	6,200.00	
Gas fixtures—E. Baggott & Co., c	90.00	
Iron—Brown Bros. Mfg. Co., c, not to exceed	1,078.00	
Heating—Geo. E. Dixon & Co., c	1,035.00	
Plumbing—M. J. Corboy, c	3,900.00	
Painting—J. G. McCarthy Co., c	1,893.00	
Carpentry and masonry—Jacob Rodatz, about	10,000.00	
Vault doors—S. H. Harris & Co., c	120.00	
Dumb waiter—M. S. Swazey, c	80.00	
Microscopical tables—Nollau & Wolf Mfg. Co., c	445.00	
Skylight—M. L. Jennings, c	293.00	
Birch woodwork, basement—Von Platten & Dick, c	412.00	
Lath and plastering—W. Balhatchet, about	2,000.00	
Fixtures—E. D. Evans, c	3,930.00	
Glass, about	400.00	
Signs, about	500.00	
Tile, floor and marble, about	600.00	
General changes (just ordered), about	1,000.00	
Architect, about	2,500.00	
		40,946.00
TOTAL		$71,813.29
There will be an addition for seats of about		$4,000.00

The work is being pushed to the fullest extent and unquestionably the buildings will be ready for occupancy by the first of October.

Very truly yours,

T. A. Davis,
Chairman Building Committee.

It is necessary therefore that the Board take this matter under consideration, and confirm the action of the officers of the College of Physicians and Surgeons, so far as may be deemed proper under all the circumstances of the case, and that the expenditure of $47,000.00 in addition to the insurance money be approved.

Respectfully submitted,

Alexander McLean,
F. M. McKay,
Committee on College of Medicine.

This report was referred to the Business Manager with the request that he give the Board information regarding it as soon as practicable.

The Business Manager, and Dr. Steele and Dr. King, of the College of Medicine, were then heard with regard to the report of the Committee.

Pending the consideration of this report the Board adjourned to 1:30 o'clock p. m.

Afternoon Session, Saturday, Sept. 28, 1901.

When the Board convened pursuant to adjournment the same members were present as in the morning.

The report of the Committee on the College of Medicine was, after further discussion, adopted. [21 Rep't Univ. of Illinois, pp. 187–190, 192.]

College of Physicians and Surgeons.

The special committee to which had been referred certain matters concerning the relations between the College of Physicians and Surgeons and the University of Illinois made the following report, and the report of the committee was adopted on motion duly made and carried.

Urbana, Illinois, September 9, 1902.

To the Board of Trustees of the University of Illinois.

Gentlemen: Your special committee upon transfer of the West Side High School property, Chicago, Illinois, from the College of Physicians and Surgeons, of Chicago, to the University of Illinois, desires to report that your committee engaged Mr. John P. Wilson, attorney, of Chicago, to examine and prepare all the papers in the case, and we have them all to present at this time to the Board.

It became necessary, in the opinion of Mr. Wilson, that certain resolutions be passed by the College of Physicians and Surgeons and the University so that the existing contract between the two corporations be recognized, and all the acts of either party be in conformity to that contract.

We present the papers as a part of this report.

Extract from the minutes of the meeting of the Board of Directors of the College of Physicians and Surgeons, of Chicago, held July 22, 1902:

On motion duly made and carried the following resolution was adopted:

Whereas, This corporation has heretofore, in pursuance of and in accordance with the terms and provisions and conditions of a certain agreement and lease, dated February 9th, 1900, and entered into between it and the University of Illinois, purchased the premises described as lots one (1) to seven (7) and lots one (1) to seven (7) in subdivision of lots nineteen (19) to twenty-five (25), in

block twenty-three (23), and the vacated alley running north and south through said block, in Ashland second addition to Chicago; and

Whereas, The Trustees of said University of Illinois have requested this corporation to, and it is proper that it should, make and enter into an agreement with the said University of Illinois, setting forth the interest of said University of Illinois in said premises, and to make a deed conveying said premises to said University of Illinois, and place the same *in escrow* with the Secretary of said State of Illinois;

Therefore, Resolved, That the President and Secretary of this corporation are hereby authorized and directed to make and enter into an agreement with the University of Illinois, setting forth its interest in said premises under and in pursuance of and in accordance with the terms and conditions of said agreement and lease; and to make, execute and acknowledge a deed conveying said premises to the University of Illinois, and to deliver the same to the Secretary of State of Illinois *in escrow*, with direction to deliver the same in the manner, for the purpose and upon the conditions stated and set forth in said agreement and lease, at the same time and under the same conditions as the deed heretofore delivered to said Secretary of State by this corporation under said agreement and lease.

We present the following resolution and recommend its adoption by the Board:

Whereas, The College of Physicians and Surgeons, of Chicago, has heretofore, in pursuance of and in accordance with the terms and provisions and conditions of a certain agreement and lease, dated February 9, 1900, and entered into between it and this corporation, purchased for the sum of one hundred and eighty-six thousand dollars ($186,000.00) the premises described as lots one (1) to seven ~~(7)~~, and lots one ~~(1) to seven~~ (7) in subdivision of lots nineteen (19) to twenty-five (25), in block twenty-three (23), and the vacated alley running north and south through the block, in Ashland second addition to Chicago; and

Whereas, It is desirable that an agreement should be entered into between said College of Physicians and Surgeons, and this corporation, setting forth the interest of this corporation in said premises, and that a deed should be made by said College of Physicians and Surgeons conveying said premises to this corporation, and the same be placed *in escrow* with the Secretary of State of Illinois; therefore

Resolved, That the President and Secretary of this corporation are hereby authorized and directed to enter into an agreement with said College of Physicians and Surgeons, setting forth the interest of this corporation in said premises, under and in pursuance of and in accordance with the terms and conditions of said agreement and lease; and to procure from said College of Physicians and Surgeons a deed of said premises, and have the same delivered to the Secretary of State of Illinois, *in escrow*, and to join in an *escrow* agreement directing said Secretary of State to deliver said deed to this corporation in the manner and the purpose and upon the conditions stated and set forth in said agreement and lease, at the same time and under the same conditions as the deed heretofore delivered to said Secretary of State by said College of Physicians and Surgeons under said agreement and lease.

The agreement referred to in the above resolution is as follows:

Articles of Agreement, Made and entered into this twenty-sixth day of June, A. D. 1902, between the College of Physicians and Surgeons, of Chicago, the party of the first part, and the University of Illinois, the party of the second part,

Witnesseth, That, whereas, the parties hereto did execute certain articles of agreement and lease bearing date of February 9, 1900, in and by which the said party of the first part did demise and agree to sell to said party of the second part lots numbers fifteen (15), sixteen (16), seventeen (17) and eighteen

(18) in Balestier's subdivision of block number twenty-three (23) in Ashland's second addition to Chicago, and other property, upon the terms and for the purposes and subject to the conditions in said articles of agreement and lease set forth and stated; and

WHEREAS, It was provided in and by said articles of agreement and lease that the said party of the first part might purchase and acquire additional property upon the terms and subject to the conditions therein set forth, which should be subject to the provisions of said articles of agreement and lease and to the sale therein and thereby made and agreed to be made to said party of the second part; and

WHEREAS, The said party of the first part has, in pursuance of and in accordance with the terms and provisions and conditions of said articles of agreement and lease, and by and with the approval of the said party of the second part, purchased certain real estate in the city of Chicago, to be held, owned and controlled by the terms and provisions of said articles of agreement and lease; and

WHEREAS, The said parties are desirous of evidencing the fact of said purchase as aforesaid by an instrument in writing:

NOW, THEREFORE, This indenture witnesseth that the said party of the first part has purchased of the city of Chicago the West Division High School property, described as lots one ~~(1) to seven (7), inclusive, in block twenty-three (23)~~; also sub-lots one (1) to seven (7), inclusive, of lots nineteen (19) to twenty-five (25), inclusive, in block twenty-three (23), and the vacated alley running north and south through said block twenty-three (23) in Ashland's second addition to Chicago, in the west one-half of the northeast quarter of section eighteen (18), township thirty-nine (39) north, range fourteen (14) east of the third principal meridian, including the buildings thereon, together with the furniture, fixtures, and apparatus therein, for the purposes of a college of medicine of the University of Illinois, under and in accordance with article 12 of said agreement and lease entered into between the parties hereto bearing date the 9th day of February, A. D. 1900, at and for the purchase price of one hundred and eighty-six thousand dollars ($186,000), and that the rights of the parties hereto in and to the said property are to be controlled and governed by the terms and provisions of the said articles of agreement and lease dated February 9th, 1900, in all respects the same as though said property had been owned by the said party of the first part at the date of the said articles of agreement and lease bearing date the 9th of February, 1900, and had been described therein, and had also been described in the deed of conveyance from the said party of the first part to the said party of the second part mentioned in said articles of agreement and lease and deposited in *escrow* in accordance with the provisions thereof; and for the better accomplishment of the said end the said party of the first part has this day executed a deed conveying the said premises to the said party of the second part, which has this day been placed in *escrow* for delivery at the same time and upon the same terms as the original deed from the said party of the first part to said party of the second part executed and placed in *escrow* at the date of the execution and delivery of the said articles of agreement and lease bearing date February 9th, 1900; it being expressly covenanted and agreed between the parties hereto that the amount of rent and purchase price to be paid by the said party of the second part to the said party of the first part shall be, by reason of the purchase of said property by the said party of the first part, increased to the amount and paid in the manner provided for in said articles of agreement and lease bearing date February 9th, 1900.

IN WITNESS WHEREOF, The undersigned officers of the respective parties hereto, authorized by resolution of their respective boards, have hereunto attached their signatures as official representatives of the parties hereto, and the

corporate seals of said parties, at the city of Chicago, in the State of Illinois, on the day and year first above written.

THE COLLEGE OF PHYSICIANS AND SURGEONS,
OF CHICAGO, by
D. A. K. STEELE, *President*,
[SEAL] WILLIAM ALLEN PUSEY, *Secretary*.
UNIVERSITY OF ILLINOIS,
A. F. NIGHTINGALE, *President Board of Trustees*,
[SEAL] W. L. PILLSBURY, *Secretary*.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. Evelyn Ballard, a notary public in and for said county, in the State aforesaid, do hereby certify that on this 26th day of June, A. D. 1902, personally appeared before me D. A. K. Steele, President, and Wm. Allen Pusey, Secretary, of the College of Physicians and Surgeons, and..... President, and.....Secretary, of the Board of Trustees of the University of Illinois, personally known to me to be the same persons who executed the foregoing instrument and severally acknowledged that they executed the said instrument of their own free and voluntary act and as and for the free and voluntary act of the respective corporations of which they are officers.

IN WITNESS whereof I have hereunto set my hand and official seal the day and year above written.

E. EVELYN BALLARD,
[SEAL] *Notary Public*.

My commission expires Nov. 23d, 1902.

STATE OF ILLINOIS, } ss.
COUNTY OF CHAMPAIGN. }

I, L. A. Boice, a notary public in and for said county, in the State aforesaid, do hereby certify that on this 15th day of September, A. D. 1902, personally appeared before me, A. F. Nightingale, President, and W. L. Pillsbury, Secretary, of the Board of Trustees of the University of Illinois, personally known to me to be the same persons who executed the foregoing instrument, and severally acknowledged that they executed the said instrument of their own free and voluntary act, and as and for the free and voluntary act of the corporation of which they are officers.

In witness whereof I have hereunto set my hand and official seal the day and year above written.

L. A. BOICE,
[SEAL] *Notary Public*.

The deed executed by the College of Physicians and Surgeons is here presented. We recommend that it be recorded in the recorder's office in the county of Cook, and then placed *in escrow* with the Secretary of State, at Springfield.

The grantor, The College of Physicians and Surgeons of Chicago, a corporation organized under the laws of the State of Illinois, for and in consideration of the sum of one hundred and eighty-six thousand dollars ($186,000.00), in hand paid, conveys and warrants to the University of Illinois, a corporation organized under the laws of the State of Illinois, the following described real estate, lying and being in the city of Chicago, county of Cook, and the State of Illinois, known and described as follows, to-wit:

Lots one (1) to seven (7), inclusive, in block twenty-three (23): also sub-lots one (1) to seven (7), inclusive, of lots nineteen (19) to twenty-five (25), inclusive, in block twenty-three (23) and the vacated alley running north and south through said block twenty-three (23), in Ashland second addition to Chicago, in the west one-half of the northeast quarter of section eighteen (18), township

thirty-nine (39) north, range fourteen (14) east of the third principal meridian, including the buildings thereon, together with the furniture, fixtures and apparatus therein.

Dated this 26th day of June, A. D. 1902.

THE COLLEGE OF PHYSICIANS AND SURGEONS,
OF CHICAGO, by
D. A. K. STEELE, *President*,
WM. ALLEN PUSEY, *Secretary*.

[Seal of College of Physicians and Surgeons.]

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. Evelyn Ballard, a notary public, in and for said county, in the State aforesaid, do hereby certify that D. A. K. Steele, President, and Wm. Allen Pusey, Secretary, of the College of Physicians and Surgeons of Chicago, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, and who are personally known to me to be such president and secretary as aforesaid, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, and as the free and voluntary act of the said The College of Physicians and Surgeons of Chicago, for the uses and purposes therein set forth, in accordance with a resolution duly passed by its Board of Directors at a legal meeting of such Board.

Given under my hand and notarial seal this 26th day of June, A. D. 1902.

E. EVELYN BALLARD,
Notary Public.

[Notary Seal.]

My commission expires Nov. 23d, 1902.

We submit also the following letter of transmittal to the Secretary of State:

To the Secretary of the State of Illinois.

DEAR SIR: The College of Physicians and Surgeons, of Chicago, and the University of Illinois do hereby deliver to you a certain deed bearing even date herewith, wherein the said College of Physicians and Surgeons is grantor and the said University of Illinois is grantee, which deed is delivered to you *in escrow*, to be held and delivered at the time, in the manner, for the purpose and upon the conditions set forth in certain articles of agreement and lease between the parties hereto, bearing date of February 9, 1900, and at the same time and under the same conditions as the deed between the said parties mentioned in said articles of agreement and lease heretofore delivered to you under the said articles of agreement and lease.

Chicago, June 26, 1902.

THE COLLEGE OF PHYSICIANS AND SURGEONS, OF CHICAGO, by
D. A. K. STEELE, President,
[SEAL] WILLIAM ALLEN PUSEY, *Secretary*.
A. F. NIGHTINGALE, *President of the Board of Trustees of the University of Illinois*.
[SEAL] W. L. PILLSBURY, *Secretary of the Board of Trustees of the University of Illinois*

We recommend that the proper officers of this Board sign and execute the papers here presented before they go into our records, so that our records may show the matter duly completed to this date.

Respectfully submitted,
S. A. BULLARD,
THOMAS J. SMITH,
ALEXANDER MCLEAN,
MRS. CARRIE T. ALEXANDER,
Special Committee on Transfer

[22 Rep't Univ. of Illinois, pp. 7–11.]

TRANSFER OF WEST DIVISION HIGH SCHOOL PROPERTY.

The committee on transfer of West Division High School property made the following report, which was adopted:

URBANA, ILLINOIS, October 24, 1902.

To the Board of Trustees.

Your special committee on the transfer of the West Division High School property desires to report that an error in the recommendations of your committee in its report made at the last regular meeting, September 9, 1902, should be corrected. The committee at that time reported all the papers necessary to the transfer and recommended that the deed be recorded in the recorder's office in Cook county and then sent to the Secretary of State to be held in *escrow* by him; whereas, to conform to the method followed in the first transfer, the recommendation should have been that the contract be recorded in the recorder's office of Cook county and the deed sent to the office of the Secretary of State at Springfield, to be held *in escrow* by him till the contract had been fulfilled. As the deed has been recorded as was recommended, in order to correct the mistake thus made, your committee recommends that the officers of this Board be authorized and instructed to have drawn and executed a quit-claim deed of the said West Division High School property from the University of Illinois to the College of Physicians and Surgeons and to have it recorded in the recorder's office of Cook county, and that in exchange for this deed, they be instructed to accept another warranty deed for the same property from the College of Physicians and Surgeons to the University of Illinois, which deed our officers are instructed to have placed *in escrow* in the hands of the Secretary of State of Illinois, in accordance with the contract reported to the meeting of this Board on September 9th last; and further, that they be instructed to have the said contract recorded in the recorder's office in Cook county.

Respectfully submitted,

S. A. BULLARD,
THOMAS J. SMITH,
ALEX. MCLEAN,
CARRIE T. ALEXANDER,
Committee on Transfer.

SCHOLARSHIPS IN THE COLLEGE OF MEDICINE.

It was ordered that the money, $4,000 in amount, received on contracts for scholarships in the College of Physicians and Surgeons (see item 13 of President Draper's communication below) be deposited with the Treasurer and invested by the Business Manager.

RELATIONS WITH THE COLLEGE OF MEDICINE.

The Committee on the College of Medicine made the following report, which was adopted:

URBANA, ILLINOIS, October 24, 1902.

To the Board of Trustees.

Your Committee on the College of Medicine, to which was referred the estimates of expense of the College for the year 1902–1903, which was submitted by the Actuary at the regular meeting in June, submits its report. Owing to the absence of the chairman of the committee from the State for several month subsequent to the presentation of the estimate by the Actuary, this report is delayed to this date.

Bearing in mind the terms of the contract between the University and the College of Physicians and Surgeons, your committee has been actuated by a desire to join in scrupulously seeking the completion of that contract within the period set forth in the contract itself, namely, twenty-five years. And we believe that the purposes of the College of Physicians and Surgeons are to the

same end, and that the organization and the members of the faculty and officers of the College will manifest the sincerity of those purposes by aiding this Board in every way possible to bring this contract to a successful termination within the specified time.

The amount of the purchase as stated in the original contract is $217,000. This amount has been increased $186,000 by the purchase of the property known as the West Division High School, and more than $100,000 by improvements made in that and in the original property, and further, by $17,000 through the starting of the Dental School, which together make the total amount of contract considerably above $500,000.00 at the present time.

In estimating the amount of money to be acquired by the University yearly in order that the original amount of $217,000 should be provided within twenty-five years it was found that approximately the sum of $5,250 was necessary. It was estimated that that amount would be required annually from the net profits of the College. When the purchase of the High School property was contemplated it was estimated by the committee of this Board and the committee of the Medical College that the enlargement of the school resulting therefrom and its increased income would enlarge the net income to the University to an amount sufficient to insure the fulfillment of the contract within twenty-five years, the period stated in the contract. This Board thereupon authorized the purchase of the High School property and the increase of the amount of the contract, $186,000. By the organization of the Dental School this committee and the officers of the Medical College again concluded that the increased net income to the University would provide for the payment of the increased obligations, within the stated period, made necessary through the organization of this school. During the summer of 1901 the fire that occurred in the Medical College building made great repairs necessary and in the changes made at that time the spirit of improvement found its way into the High School property as well, and improvements were made in both far beyond any amount contemplated at the time of the purchase. This additional expense, together with the other expenditures which were authorized by this Board, has made the amount of the obligations in the contract exceed considerably the sum of $500,000, as stated at the beginning of this report.

Now, estimating on the basis of $528,000 as the amount of the contract, which is approximately correct, it will require a net profit of $12,800 annually as the University's share to complete the contract within the specified time. However, two years of the contract have already passed, and the third year is well on its way. The contract went into effect May 1, 1900, and the completion is stated for May 1, 1925. The two years of the contract that have elapsed have not fulfilled expectations. The results are not what has been desired, nor what was confidently expected. Several things have conspired to cause this disappointment. We can see them now but did not forsee them. First, the unsettled condition always accompanying a rapid enlargement of a school makes it next to impossible accurately to estimate income and to hold the expense down proportionate to income. Again, the purchase of additional property and the enormous cost of its improvement, the fire in the original building, and the rebuilding and improvement of that building and equipping it for the Dental School have caused all concerned to lose sight for a time of the increased net profits which must necessarily be required to fulfill the contract in due time. Again, the unusual conditions arising in the administration of the contract, in the like of which the President, faculty of the Medical College, and the members of this Board were inexperienced, have induced all connected with the administration to give their attention to the educational and material features of the school and allow a very loose rein in its financial affairs.

But the experience gathered from the two years past will prove of large value in the conduct of this great enterprise to its termination.

The first year of the contract resulted in a total net profit of 12,000 dollars, of

which the University received 4,000 dollars. This amount fell 1,250 dollars short of the amount necessary to carry the original amount of 217,000 dollars to completion in 25 years. Your committee finds no good reason for this shortage other than those above stated. The year was a good one in attendance, no expensive improvements were made and no large amount of apparatus was purchased. The unusual expense came in the increase of operating expenses. The income for the year was $70,655.38, and the expenses, $58,655.38. The second year of the contract resulted in a total net profit of $9,000, the University receiving for its share $3,000. The attendance for the year in the Medical College was 100 more than the year previous, the total being 708 students. The attendance of the Dental School this first year was 134 students. The income from these two sources was $94,958.51, as reported by the Business Manager. The operating expenses by the same report were $85,958.51. The year was the most prosperous ever reached by the Medical College, the combined increase of students being 38.4 per cent over the attendance of the year previous. The income was 34.4 per cent over the previous year and the operating expenses 46.5 per cent increase. It will be noticed that the year's record also shows an abnormal increase in the operating expenses.

The estimates of the Actuary for the present year (third year of contract) are $104,000 for income and $95,182.92 for operating expenses. The net gain for the year, therefore, is estimated at $8,817.03, of which the University's share would be $2,939.01. The estimated increase of students is not given in the Actuary's estimate, so that a comparison can not be made with the attendance of last year. The estimated increase in income is 9.3 per cent over the preceding year and the estimated increase in expenses which this Board is asked to confirm is 10.7 per cent over that of last year. It will be noticed that the per cent of increase in the expenses in these three years is in every instance greater than the increase in income, and that the amount of net profits continually derceases in the same period. This must be a matter of great regret to every one connected with the Medical College and the University, and it is with the serious purpose of changing this condition of things that your committee makes so elaborate a report. Your committee realizes that the loss of a single year's net income is not a matter of any grave inportance, though the loss would necessarily postpone the termination of your contract another year. Such a loss may be occasioned by a stress of hard times which may reduce the attendance seriously, so that there may be no surplus; or, by an unavoidable calamity, which may enormously increase the expense. It proves to be a matter of deep concern, however, when in the most prosperous times, with attendance increasing and income increasing beyond all precedents, the expense should be allowed to increase beyond all proportion to either. The precedents established by such a course, the habits of extravagance engendered, and the quiet indifference in which the recurring failures to fulfill each annual part of the contract is contemplated by all concerned are matters which your committee believes to be of the gravest importance.

Your committee in confirming the estimates of the income of the present year, as reported by the Actuary, has estimated on an increase of 15 per cent in the attendance in both the Medical College and Dental School. This allows an ncrease of 106 medical students (a total of 814) and 20 dental students (a total of 154). The income for the year, therefore, would be $120,780. Now, by reducing the estimates of expense to $82,380 there will be a surplus of $38,400, of which the University's share would be $12,000, which is the necessary amount contemplated in the contract.

Your committee, therefore, recommends that the estimate of the Actuary be returned with the request that the executive faculty of the Medical College and the President of the University reduce the estimated expenses to $82,380 for the present year, or as nearly to that sum as existing contracts will allow, and that they be instructed, in submitting hereafter the estimates of the Actuary, to

make the annual expense within $38,400 of a conservative estimate of the income for that year. Your committee believes that this can be done without any real injury to the Medical College or Dental School and will aid largely in a healthful and natural growth in all their parts.

Your committee further recommends that each year the estimates for the next year's income and expenses of the College of Medicine be submitted to this Board for consideration at its regular March meeting.

The members of this committee desire in closing this report to record their candid belief that the State of Illinois can not with honor to itself, for longer than a temporary period, employ a private corporation to educate for it the young men and women of the State; and we believe that the chief Executive and the legislature of Illinois will not, and this Board of Trustees should not, look with approval upon the suggestion that the contract herein referred to be allowed to continue indefinitely. The business of this contract should be pursued with the conscientious purpose of fulfilling it at the earliest possible time. This result would no doubt be to the financial advantage of the College of Physicians and Surgeons and the educational enlargement of the University, and we hope, therefore, that this Board and the Board of Directors of the College of Physicians and Surgeons will labor harmoniously together to this end.

Respectfully submitted,

ALEX. MCLEAN,
S. A. BULLARD,
F. M. MCKAY,
Committee on Medical College.

[22 Rep't Univ. of Illinois, pp. 20–23

"THE GRACE CHANDLER SCHOLARSHIP."

KNOW ALL MEN BY THESE PRESENTS:

That the College of Physicians and Surgeons, of Chicago, the College of Medicine of the University of Illinois, in consideration of one thousand dollars, paid to it by the Woman's Board of Missions of the Northwest, the receipt whereof is hereby acknowledged, does hereby grant, bargain, and convey to the said Woman's Presbyterian Board of Missions of the Northwest, a perpetual scholarship in said College to be known and designated as "The Grace Chandler Scholarship," subject to the following specifications and conditions:

I.

Said scholarship shall entitle said Board of Missions to one student annually in the College of Physicians and Surgeons, of Chicago, the College of Medicine of the University of Illinois. And if said Board should fail to send one student to said College for any one or more years it shall be entitled in any subsequent year or years to such a number as will be equivalent to one annually.

II.

If ever the said College of Physicians and Surgeons, of Chicago, the College of Medicine of the University of Illinois, ceases, or fails to provide complete medical education for women according to the standard required by other regular schools of medicine in good standing, then the money for the establishment of the foregoing scholarships shall be paid to the Woman's Presbyterian Board of Missions of the Northwest, or its successor or successors.

III.

The student or students entering such College under said scholarship shall be entitled free of charge to all that the regulations of said College require or may require of other students of the same stage of advancement, including matriculation, final examinations, materials necessary for illustration and practical

work, and all college and hospital instruction—or such of these as may be required by said College for the year or years such student or students may be in attendance Any student who has been a beneficiary of this scholarship for one or more years shall be entitled in any subsequent year to enter said College as a student on the same conditions as are required of a non-beneficiary student of the same grade.

IV.

The student entering said College under said scholarship must be recommended by the said Woman's Presbyterian Board of Missions of the Northwest, or its successor or successors, in preparation for the work of a medical missionary, and must be subject to all the conditions required for admission and graduation, responsiblity for the breakage of furniture and laboratory appliances, and to all other rules and regulations of the said College, except as above provided in regard to fees.

In Witness Whereof, The said College of Physicians and Surgeons, the College of Medicine of the University of Illinois, has on this sixteenth day of September, in the year of our Lord one thousand nine hundred and two, signed, sealed and delivered the foregoing instrument by its Dean, and affixed the seal of the said corporation thereto.

The College of Physicians and Surgeons, of Chicago, the College of Medicine of the University of Illinois.

[seal] Wm. E. Quine,
Dean.

[22 Rept. Univ. of Illinois, pp. 25, 26.]

Transfer of West Division High School Property.

The committee for the transfer of the West Division High School property by the College of Physicians and Surgeons to the University of Illinois made the following report which was adopted, and the increase of indebtedness on account of the transfer by the College of Physicians and Surgeons of this property was authorized.

To the Board of Trustees:

Your special committee on the transfer of the West Division High School property by the College of Physicians and Surgeons to the University makes the following report:

The instructions of this Board in regard to new deeds passed at the meeting of October 1, 1902, on the report and recommendation of this committee, have been carried out and your committee submits the papers in the case to make the record of the same complete.

The President and Secretary of this Board duly executed and delivered to the College of Physicians and Surgeons of Chicago a quit-claim deed to the West Division High School property of the said College of Physicians and Surgeons under date of the 13th day of January, 1903. This deed is submitted as a part of this report.

The Grantor, The University of Illinois, a corporation organized under the laws of the State of Illinois, for and in consideration of One Dollar ($1.00), in hand paid, conveys and quit-claims to the College of Physicians and Surgeons of Chicago, a corporation organized under the laws of the State of Illinois, the following described real estate, lying and being in the City of Chicago, Cook County, and State of Illinois, known and described as follows:

Lots one (1) to seven (7), inclusive, in Block twenty-three (23); also Sub-Lots one (1) to seven (7), inclusive, of Lots nineteen (19) to twenty-five (25), inclusive, in Block twenty-three (23), and the vacated alley running North and South

through said Block twenty-three (23), in Ashland Second Addition to Chicago, in the West one-half of the Northeast quarter of Section eighteen (18), Township thirty-nine (39) North, Range fourteen (14) East of the Third Principal Meridian, including the building thereon, together with the furniture, fixtures, and apparatus therein, in so far as any interest in said property was acquired by and through a deed made by the said THE COLLEGE OF PHYSICIANS AND SURGEONS OF CHICAGO to the said THE UNIVERSITY OF ILLINOIS, June 26, 1902, and recorded on page 416 of book, 7,985 of the records of said County of Cook.

Dated this 13th day of January, A. D. 1903.

UNIVERSITY OF ILLINOIS, by
AUGUSTUS F. NIGHTINGALE,
President of the Board of Trustees.

[SEAL] W. L. PILLSBURY,
Secretary of the Board of Trustees.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK, }

I, Cyrus W. George, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that Augustus F. Nightingale, President of the Board of Trustees of the University of Illinois, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, and who is personally known to me to be such President as aforesaid, appeared before me this day in person, and acknowledged that he signed, sealed, and delivered the said instrument as his free and voluntary act and the free and voluntary act of the said University of Illinois, for the uses, and purposes, therein set forth, in accordance with a resolution duly passed by its Board of Trustees at a legal meeting of such Board.

Given under my hand and Notarial Seal this 29th day of January, A. D. 1903.

CYRUS W. GEORGE,
[SEAL] *Notary Public.*

STATE OF ILLINOIS, } ss.
COUNTY OF CHAMPAIGN, }

I, L. A. Boice, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that W. L. Pillsbury, secretary of the Board of Trustees of the University of Illinois, who is personally known to me to be the same person whose name is subscribed to the foregoing Instrument, and who is personally known to me to be such Secretary as aforesaid, appeared before me this day in person, and acknowledged that he signed, sealed, and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of the said University of Illinois, for the uses and purposes therein set forth, in accordance with a resolution duly passed by its Board of Trustees at a legal meeting of such Board.

Given under my hand and Notarial Seal this 13th day of January, A. D. 1903.

L. A. BOICE,
[SEAL] *Notary Public.*

The deed was recorded in the office of the recorder of deeds of Cook County, Book 8,220, p. 28.

The Board of Directors of the College of Physicians and Surgeons on the 23d day of December, 1902, authorized the execution of another deed for this property to the University. A copy of this action follows:

"Resolution adopted by the Board of Directors of the College of Physicians and Surgeons, Chicago, December 23, 1902.

Whereas, The special committee of the Board of Trustees of the University of Illinois on transfer of the West Division High School property, reported that

an error in the recommendation of said committee in its report made at the regular meeting September 9, 1902, should be corrected. The committee at that time reported all the papers necessary to the transfer, and recommended that the deed be recorded in the Recorder's office of Cook County and then sent to the Secretary of State, to be held in escrow by him—whereas, to conform to the method followed in the first transfer, the recommendations should have been, that the contract be recorded in the Recorder's office in Cook County and the deed sent to the office of the Secretary of State at Springfield, to be held in escrow by him until the contract had been fulfilled, and in order to correct the error they made in recording the deed instead of the contract, the Board of Trustees of the University of Illinois at the regular meeting held October 24, 1902, authorized and instructed the officers of their Board to have drawn and executed a quit-claim deed of the said West Division High School property, from the University of Illinois to the College of Physicians and Surgeons of Chicago, and to have it recorded in the Recorder's office of Cook County, and that in exchange for this deed they be instructed to accept another warranty deed for the same property from the College of Physicians and Surgeons to the University of Illinois, which deed their officers were instructed to have placed in escrow in the hands of the Secretary of State of the State of Illinois in accordance with the contract report at the meeting of their Board September 9th last, and further that they be instructed to have said contract recorded in the Recorder's office in Cook County, Illinois, therefore be it

Resolved, That the proper officers of the College of Physicians and Surgeons of Chicago are hereby duly authorized and empowered to accept from the University of Illinois said quit-claim deed and to give in exchange for it to the University of Illinois a warranty deed to the West Division High School property in accordance with the recommendations of the Trustees of the University of Illinois at their meeting October 24, 1902, and the proper officers of the College of Physicians and Surgeons are instructed to also receive from the University of Illinois the original deed recorded in Cook County, but in error in the recommendation of the special committee on transfer of the Board of Trustees.

D. A. K. Steele. *President.*"

Under this authority the following deed was executed by the officers of the College of Physicians and Surgeons:

The Grantor, The College of Physicians and Surgeons of Chicago, a corporation organized under the laws of the State of Illinois, for and in consideration of the sum of one hundred and eighty-six thousand dollars ($186,000.00), in hand paid conveys and warrants to the University of Illinois, a corporation organized under the laws of the State of Illinois, the following described real estate, lying and being in the City of Chicago, County of Cook, and State of Illinois, known and described as follows, to-wit:

Lots one (1) to seven (7), inclusive, in Block twenty-three (23); also Sub-Lots one (1) to seven (7), inclusive, of Lots nineteen (19) to twenty-five (25), in Block twenty-three (23), and the vacated alley running North and South through said Block twenty-three (23), in Ashland Second Addition to Chicago, in the West one-half of the Northeast quarter of Section eighteen (18), township thirty-nine (39) North, Range fourteen (14) East of the Third Principal Meridian, including the buildings thereon, together with the furniture, fixtures, and apparatus therein.

Dated this thirteenth day of January, A. D. 1903.

The College of Physicians and Surgeons, of Chicago, by
D. A. K. Steele, *President.*

[seal] Wm. Allen Pusey, *Secretary, College of Physicians and Surgeons.*

County of Cook, } ss.
State of Illinois, }

I, E. Evelyn Ballard, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that D. A. K. Steele, President, and Wm. Allen Pusey, Secretary of the College of Physicians and Surgeons of Chicago, who are personally known to me to be the same persons whose names are subscribed to the forgoing instrument, and who are personally known to me to be such President and Secretary as aforesaid, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act and as the free and voluntary act of the said College of Physicians and Surgeons of Chicago, for the uses and purposes therein set forth, in accordance with a resolution duly passed by its Board of Directors at a legal meeting of such Board.

Given under my hand and Notarial Seal this 27th day of January, A. D. 1903.

E. Evelyn Ballard,
[seal] *Notary Public.*

The officers of the College of Physicians and Surgeons and the officers of this Board united in sending this deed to James A. Rose, Secretary of State, at Springfield, to hold in escrow.

Their letter of transmissal follows:

To the Secretary of State of Illinois:

Dear Sir: The College of Physicians and Surgeons of Chicago and the University of Illinois do hereby deliver to you a certain deed bearing even date herewith, wherein the said College of Physicians and Surgeons is grantor and the said University of Illinois is grantee, which deed is delivered to you in escrow, to be held and delivered at the time, and in the manner, for the purpose and upon the conditions stated and set forth in certain articles of agreement and lease between the parties hereto, bearing date February 9, 1900, and at the same time and under the same conditions as the deed between the said parties mentioned in said articles of agreement and lease and heretofore delivered to you under the said articles of agreement and lease.

Chicago, January 13, 1903.

The College of Physicians and Surgeons, of Chicago, by
D. A. K. Steele, *President.*

[seal] Wm. Allen Pusey, *Secretary of College of Physicians and Surgeons.*
The University of Illinois, by
Augustus F. Nightingale, *President of Board of Trustees.*

[seal] W. L. Pillsbury, *Secretary of Board of Trustees.*

In response the Secretary of State acknowledged the receipt of the letter and deed in the following letter:

February 16, 1903.

W. L. Pillsbury, Secretary, University of Illinois, Urbana, Illinois:

Dear Sir: I acknowledge receipt on the 14th of your favor of the 12th enclosing deed from the College of Physicians and Surgeons to the University of Illinois, together with the accompanying letter to me stating said deed is delivered to me in escrow. Yours very truly,

James A. Rose,
Secretary of State.

Our officers also had the contract between the University of Illinois and the College of Physicians and Surgeons reported to the Board by this committee

September 9, 1902, recorded in the recorder's office in Cook county, thus making complete the contract and transfer of the West Division High School property.

Your committee would further report that it has examined and audited the expenditures of the College of Physicians and Surgeons in improving the new West Division High School property and in restoring and improving the original college building after the fire of June 25, 1901, and preparing it for use of the Dental School, and find the same to be the sum of $108,415.69. From this sum is to be deducted the sum of $34,049.34, which was received for insurance on the building and contents, and $164.80 received from the sale of furniture, making a total deduction of $35,114.14. This makes the net expenditures to be $73,301.55. A part of this amount, $5,000.00, was authorized on recommendation of your Committee on Medical College on November 9, 1900, and again $47,000.00 on September 28, 1901. This leaves a balance unauthorized of $21,301.55, which your committee now recommends that this Board authorize.

With the authorization of this amount the obligations under the contract with the College of Physicians and Surgeons stand as follows:

Amount of original contract	$217,000.00	
Amount of West Division High School Purchase	186,000.00	
Amount of Dentistry School Purchase	17,000.00	
Amount of authorized improvements in New Medical College and Dental School buildings	73,301.55	
TOTAL		$493,301.55

The indebtedness of the College of Physicians and Surgeons reported in the original contract was $70,700.00. This was increased by the purchase of the High School building $186,000.00, and by the purchase of the Dental School $17,000.00, which makes a total of $273,700.00. The large improvements in the Medical School and the Dental School buildings have made necessary an increase in the indebtedness, said increase amounting to $33,650.00, which is in the form of unsecured notes. Your committee recommends that an increase of $33,650.00 in the unsecured indebtedness be authorized by this Board. This will make the total amount of indebtedness authorized $307,350.00.

It is reported to this committee by the officers of the College of Physicians and Surgeons that the indebtedness of the said College on January 1st, 1903, was as shown below, and that since then to this date said indebtedness has not been increased:

First Mortgage on High School property	$ 86,000.00	
Bonds on High School property	109,000.00	
Bonds on original property	21,000.00	
Bonds on original property	39,000.00	
Notes to bank	20,000.00	
Notes to individual members of College	32,350.00	
TOTAL		$307,350.00

All of which is respectfully submitted.

S. A. BULLARD,
CARRIE T. ALEXANDER,
ALEX. MCLEAN.

[22 Rep't Univ. of Illinois, pp. 58–62.]